



# Republican Policy Committee

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## **Clinton's Budgets Grow Spending, Slash Military**

### **Clinton Targets Defense, Ignores Spending and Bureaucracy**

*President Clinton on Thursday angrily denounced as an "abject lie" a report that one of his young staffers brushed past a three-star Army general at the White House and brusquely told him that she doesn't talk to people in uniform. The report was confirmed in a Washington Post interview with Lt. Gen. Barry McCaffrey who recalled that, after he said, "Good morning," the staffer replied, "I don't talk to the military" and stomped on by.*  
[Sacramento Bee, April 2, 1993]

There is something about a military uniform that changes the way people respond to you — particularly in the Clinton White House. Nowhere is this more evident than when it comes to the President's spending priorities. This President's budgets consistently have reflected a four-year spending spree along every avenue but one, Defense. The differing treatment between DoD employees and those elsewhere in government is almost as stark. While President Clinton has gingerly used a scalpel on the federal civilian bureaucracy as a whole, he's taken a sledgehammer to Defense personnel numbers.

#### **Slashing *Only* the Military**

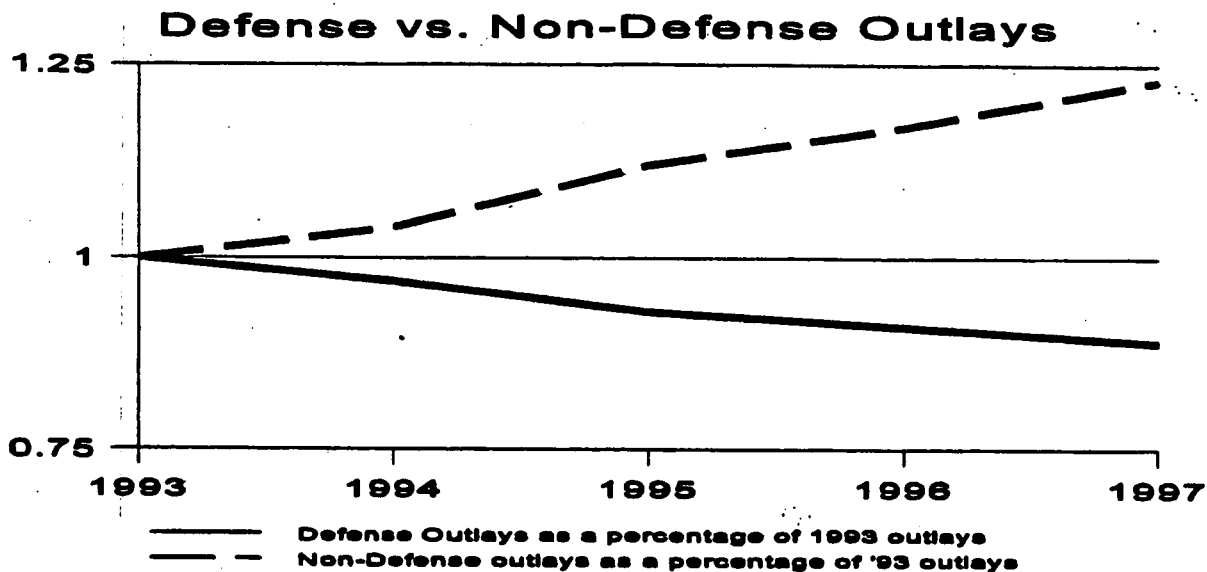
- Defense spending will have dropped by more than 11 percent over the four years from the Bush budget of 1993 to Clinton's proposed 1997 budget. At the same time, nondefense spending will show an increase of more than 23 percent.
- During that same period, defense (civilian) personnel will have been reduced 18 percent, while nondefense personnel will be just 5 percent. These figures do not even take into account the reduction in active duty end strengths from 2 million in FY 1990 to less than 1.5 million in FY 1996.
- *If Clinton had treated the bureaucracy as a whole like he has the Defense Department, he would have eliminated the deficit in just over one year and cut enough personnel to close almost six cabinet agencies.*

## A Comparison Under Clinton: Defense vs. Non-Defense FY's 1993-1997

(Outlays in billions of dollars)

	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
Defense	291.1	281.6	272.1	265.6	258.7
As a percentage of 1993		97%	93%	91%	89%
Non-Defense	1,117.6	1,179.2	1,247.1	1,306.9	1,376.6
As a percentage of 1993		106%	112%	117%	123%

\*Revenues are those from Clinton's FY 1997 budget



### Personnel (in thousands)

	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
Defense	931.8	868.3	821.7	800	767.4
Non-Defense	1207.1	1184.4	1148.4	1140.8	1143.1

## **A Tale of Two Budgets: Defense and Non-Defense**

To borrow from Dickens, under the Clinton regime, it's been the best of times for the bureaucracy and the worst of times for Defense, measuring from Bush's last budget (FY 1993) to Clinton's fourth budget (FY 1997).

- ▶ Overall, federal spending increased 16 percent, from \$1.41 trillion to \$1.64 trillion.
- ▶ Defense spending decreased 11 percent, from \$291.1 billion to \$258.7 billion. This is on top of reasonable cuts made under President Bush in light of the post-cold war era.
- ▶ Nondefense federal employment has remained virtually flat, declining just 5 percent, from 1.207 million to 1.143 million.

✓ In fact, nondefense personnel would increase by more than 2,000 from FY 1996 to FY 1997: 1.141 million to 1.143 million.

- ▶ Employment for Defense civilians will have fallen by nearly 18 percent, from 931,800 to 767,400.

## **The Impact of Clinton's Defense Cuts . . . Imposed on the Entire Bureaucracy**

What if President Clinton had shown the same anti-deficit zeal toward the entire bureaucracy as he has toward the one department? From Bush's last budget (FY 1993) to Clinton's fourth budget (FY 1997), if nondefense outlays had been treated the same as Clinton treated Defense outlays:

- ▶ Instead of being \$1.46 trillion, total federal outlays would have been \$1.30 trillion in FY 1994.
- ▶ The deficit would have been eliminated in Clinton's second year and the budget surplus would have been \$96 billion.
- ▶ By FY 1997, the budget surplus would have been \$297.8 billion, instead of the \$146 billion deficit the President's March 1996 budget forecasts.
- ▶ Over the FY 1994-1997 period, the cumulative budget surpluses would have amounted to more than half a trillion dollars — \$545.7 billion.

And what if federal personnel throughout the bureaucracy had been as expendable to President Clinton as those employed by Defense? The same dramatic differences are shown:

- ▶ There would have been almost 60,000 fewer bureaucrats in Clinton's first budget.
- ▶ Over the FY 1994-1997 period, there would have been 397,000 fewer Washington bureaucrats.

- ▶ Those 397,000 fewer bureaucrats equal the total employment of almost six nondefense cabinet agencies (each, which averages 68,257).

**Clinton Spending, *Adjusted*: Non-Defense Numbers at Defense Rates**  
(in billions of dollars)

	1994	1995	1996	1997
Federal Revenues	1,257.7	1,355.2	1,426.8	1,495.2
Federal Outlays	1,303.5	1,259.2	1,229.1	1,197.5
New Deficit	-45.8	96	197.7	297.8

**Current vs. *Adjusted* Employment**  
(in thousands)

	1994	1995	1996	1997	Total
Current Non-Defense	1184.4	1148.4	1140.8	1143.1	
Adjusted Non-Defense	1124.8	1064.5	1036.4	994.1	
Difference	59.6	83.9	104.4	149	397

## **The Truth Hurts**

Overall, government spending has increased while Defense spending has plummeted. And this dramatic reduction is not without penalty: our short-term and long-term military readiness is being jeopardized [see related RPC paper, entitled, "Clinton's Defense Budget: Promises Made, Promises Broken," 4/18/96]. The nondefense bureaucracy has been barely touched while Defense personnel have been slashed to make up for it. And of course, the deficit is still there. While the fantasy that Clinton has controlled spending and reduced the bureaucracy is comforting, the truth hurts: it has hurt the American taxpayer and it has hurt our military readiness.

It's too bad that President Clinton is not as serious about reducing federal spending or the federal bureaucracy as he is about reducing the nation's defense capabilities.

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